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## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair  
2025 - 2026 Regular Session

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### AB 1 (Connolly) - Residential property insurance: wildfire risk

**Version:** December 2, 2024

**Urgency:** No

**Hearing Date:** August 18, 2025

**Policy Vote:** INS. 7 - 0

**Mandate:** No

**Consultant:** Janelle Miyashiro

**Bill Summary:** AB 1 requires the California Department of Insurance (CDI) to consider updating the Safer from Wildfires regulations (SWRs) to include additional building hardening measures for property-level mitigation efforts and communitywide wildfire mitigation programs, as specified.

#### Fiscal Impact:

- The CDI estimates costs of approximately \$131,000 in Fiscal Year (FY) 2026-27, \$279,000 in FY 2027-28, \$52,000 in FY 2028-29, \$523,000 in FY 2029-30, and \$1.03 million in FY 2030-31 and every five years ongoing (Insurance Fund).
- The Office of Emergency Services (OES) does not anticipate a direct fiscal impact from this bill; however, notes that there may be unknown costs associated with incorporating updated SWRs into the California Wildfire Mitigation Program (CWMP) and Hazard Mitigation Home Hardening grant programs.
- The Department of Forestry and Fire Protection (CAL FIRE) does not anticipate a fiscal impact.
- The Office of Land Use and Climate Innovation (referred to in the bill as the Office of Planning and Research (OPR)) notes its current consultation role to be absorbable within existing resources.

**Background:** California Safer from Wildfires is a comprehensive, multi-agency initiative established to enhance wildfire safety and preparedness. In October 2019, Insurance Commissioner Ricardo Lara convened a virtual investigatory hearing to initiate a series of regulatory actions aimed at protecting residents from the increasing risk of wildfires. In October 2022, Commissioner Lara launched the SWRs, which requires insurance companies to provide discounts to consumers and businesses if they take specified mitigation measures. The regulation is currently state law, and involves collaboration among several state agencies, including CAL FIRE, Public Utilities Commission (PUC), OES, and CDI.

#### Proposed Law:

- By January 1, 2030 and every five years thereafter, requires CDI to consider whether to update the SWRs to include additional building hardening measures for property-level mitigation efforts and communitywide wildfire mitigation programs.
  - In its consideration, requires CDI to consult with OES, CAL FIRE, the Public Utilities Commission, and OPR; consult with relevant stakeholders; and develop and implement a process that allows for meaningful public participation, as specified.

- If CDI updates the SWRs, requires the department to consider updating the regulations to include the installation of construction materials included by the SFM on the Building Material Listing or in compliance with the most recent California Buildings Standards Code.
  - If CDI makes a final list of building hardening measures available, requires the SWRs to include these building hardening measures, as specified.
- Defines “Building Materials Listing” as the list of construction materials and equipment biennially prepared by the SFM’s Building Materials Listing Program.
- Defines “Safer from Wildfires regulations” as the regulations set forth by California Code of Regulations Section 2644.9.
- States legislative findings and declarations.

**Related Legislation:** AB 2416 (Connolly, 2024) was substantially similar to this bill and would have also required CDI to consider updating the SWRs to include additional building hardening measures for property-level mitigation efforts and communitywide wildfire mitigation programs. AB 2416 died on the Senate Inactive File.

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